

City of Weslaco

"The City on the Grow"



Miguel D. Wise, Mayor
John F. Cuellar, Mayor Pro-Tem, District 2
Robert J. Garza, Commissioner, District 1
Olga M. Noriega Commissioner, District 3
Gerardo "Jerry" Tafolla, Commissioner, District 4
Lupe V. Rivera, Commissioner, District 5
Joe A. Martinez, Commissioner, District 6

Leonardo Olivares, City Manager

Press Release

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Standard & Poor's Elevates Weslaco's Outlook

WESLACO, TX – Standard & Poor's (S&P) announced today that it is revising the outlook for the City of Weslaco from negative to stable. "The outlook revision is based on the city's improved financial performance and return to structurally balanced operations," said S&P's credit analyst Jim Tchou.

The report states, "Following years of structural imbalances under a previous administration, which placed significant budgetary pressure on the city's finances, current management, which consists of several members with less than three years experience with the city, outlined a plan to build reserves to \$5 million by the end of fiscal 2015."

"This improvement in the outlook marks a critical acknowledgement by S&P of the efforts the City has made towards restoring the financial stability that the citizens of Weslaco deserve," stated Mayor Miguel D. Wise. "Weslaco has taken significant steps to lower expenditures and increase revenues during the past fiscal year."

The City eliminated positions, reduced benefits and consolidated functions to reduce expenses. These changes resulted in a positive general fund balance of \$824,987.00 (unaudited) for Fiscal Year 2011. Projections show that the City would have been in the negative over \$3 million in Fiscal Year 2012 if these measures were not implemented.

"This is great news," said City Manager Leonardo Olivares. We are projecting a general fund balance of over \$1.3 million for the end of Fiscal Year 2012. The City will continue to work towards the goal of a 25% general fund balance within three years."

Standard and Poor's Ratings Services includes offices in 23 countries and a history that dates back more than 150 years.

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